## TOWN OF CRESTED BUTTE

## ORDINANCE NO. 12

AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL IMPOSING A MORATORIUM FOR TWELVE MONTHS ON ACCEPTING AND PROCESSING APPLICATIONS AND ISSUING LICENSES FOR NON-PRIMARY RESIDENCE VACATION RENTALS

WHEREAS, the Town of Crested Butte, Colorado ("the Town") is a home rule municipality duly and regularly organized and now validly existing as a body corporate and public under and by virtue of the Colorado Constitution and laws of the State of Colorado; and

WHEREAS, pursuant to Article XX, Section 6 of the Colorado Constitution, Section 29-20-101, et seq., C.R. S. and other authorities granted to municipal governments, the Town has enacted and enforces regulations governing the use of property as a vacation rental within the Town's jurisdiction; and

WHEREAS, the Town has found that the commercial aspects of vacation rentals can have detrimental effects on adjacent residential uses and therefore should be regulated to protect the public health, safety and welfare; and

WHEREAS, Section 16-1-20 of the Town of Crested Butte Municipal Code ("Municipal Code") defines Vacation Rental as a rental or lease of a property for a period of 29 or less consecutive nights; or the rental or lease of no more than two sleeping units within a property for a period of 29 or less consecutive nights where the owner or agent is present during occupancy; and

WHEREAS, Section 16-14-90 of the Municipal Code limits the number of Vacation Rentals that do not additionally serve as a primary residence of the vested title property owner ("Non-Primary Residence Vacation Rental") to 30% of the total free market residential units in the "R1", "R1A", "R1C", "R1D", "R1E", "R2", "R3C", "B3", and "B4" zone districts, which equates to 212 residential units as of 2021; and

WHEREAS, Section 6-6-70 of the Municipal Code specifies that Vacation Rental licenses shall be issued on a first come, first serve basis; and

WHEREAS, the number of Non-Primary Residence Vacation Rental licenses that have been issued equals 212 units in the zone districts where licenses for these uses are permitted under Section 16-14-90 and that is the maximum allowed for all zone districts where such Vacation Rentals are allowed; and

WHEREAS, the Town is experiencing a severe shortage of housing for the local workforce at all income levels which is threatening the livelihood and character of the Town, its citizens, and its businesses and the Town Council declared a disaster emergency regarding affordable housing on June 7, 2021 in response to this shortage; and

WHEREAS, on May 28, 2021, the Governor of Colorado signed HB 21-1117, which amended Section 29-20-104 of the Land Use Control Enabling Act to confirm that local governments have the authority to regulate development or redevelopment in order to promote the construction of new affordable housing units; and

WHEREAS, Colorado HB 21-1271 establishes programs offering assistance to communities to promote the development of innovative affordable housing strategies; and

WHEREAS, the Town desires to engage in a comprehensive study of Vacation Rentals and the Town's Vacation Rental regulations in order to re-evaluate the impacts of the Vacation Rentals on the Town's housing stock and market, particularly as it relates to affordable housing; its economic livelihood, and neighborhood livability; and

WHEREAS, the Town believes its comprehensive study will likely result in recommendations to the Town Council regarding the Vacation Rental regulations and policies, including the number of licenses that will be made available, licensing fees, the Town's zoning regulations, and other recommended policy and regulatory improvements that arise from the study; and

WHEREAS, the Town Council hereby finds that imposing a twelve month moratorium on accepting applications and issuing licenses for Non-Primary Residence Vacation Rentals is necessary to allow the Town time to conduct its comprehensive study and will promote the public health, safety, and welfare of the community by allowing for a deliberate and well-reasoned decision-making process.

## NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO:

- Section 1. The Town Council hereby adopts a 12 month temporary moratorium from its effective date on the acceptance, processing or issuance of licenses for Non-Primary Residence Vacation Rental licenses. During this moratorium, the Town will not accept, process, or approve any applications for such licenses.
- Section 2. During the moratorium, Town staff shall review recently enacted legislation regarding affordable housing and shall study and evaluate the impacts of Vacation Rentals upon on the Town's housing stock, its economic livelihood, neighborhood livability and the availability of affordable housing in the Town; determine whether the Town's Vacation Rental regulations or other elements of the Town Code or Town Vacation Rental regulations and policies should be amended; report the results of the evaluation and recommend such amendments to the Town Council, as appropriate.
- Section 3. If any section, sentence, clause, phrase, word or other provision of this ordinance is for any reason held to be unconstitutional or otherwise invalid, such holding shall not affect the validity of the remaining sections, sentences, clauses, phrases, words or other provisions of this ordinance, or the validity of this ordinance as an entirety, it being the legislative intend that this ordinance shall stand notwithstanding the invalidity of any section, sentence, clause, phrase,

word or other provision.

<u>Section 4</u>. The Town Council hereby finds, determines, and declares that this ordinance is necessary to protect the public health, safety and welfare of Crested Butte.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS OF JULY, 2021.	<i>r</i>
ADOPTED BY THE TOWN COUNCIL UPON SECTION READING IN PUBI HEARING THISQTM DAY OF, 2021	JIC

TOWN OF CRESTED BUTTE, COLORADO By:

James A. Schmidt, Mayor

ATTEST:

Lynelle Stanford,

Town Clerk

